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SUBJECT: EMBASSY MINSK WEEKLY POL/ECON REPORT - NOVEMBER 9,
2006

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1. The following are brief items of interest compiled by
Embassy Minsk. This edition includes events thru the November 6-
7 Revolution Day holiday. The next edition will cover items
thru November 17.

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----- International Relations -----

12. U.S. and EU Ambassadors Visit Kurapaty

On November 2, Ambassador and Heads of Mission of the United Kingdom, Germany, Slovakia, Czech Republic, Romania, Latvia, Poland, and France visited Kurapaty, a wooded area outside Minsk where Stalin's secret police murdered and buried thousands of people during the 1930s and 1940s. In response to journalists' questions, Ambassador explained the importance for a government to remember and openly discuss tragedies like Kurapaty in order to ensure that such atrocities were not repeated. Throughout the week, hundreds of Belarusians commemorated the slayings by laying flowers and lighting candles at the site.

13. Foreign Military Experts Verify Belarus' CFE Compliance

On October 31, a team of military experts from Belgium, the Czech Republic, Hungary, Poland, and the United States started their four-day inspection of the 120th Independent Mechanized Brigade of Belarus' Armed Forces to verify GOB compliance with the 1990 Treaty on Conventional Forces (CFE) in Europe, which sets limits on military equipment deployed by NATO and the former Warsaw Pact.

----- Civil Society -----

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14. Police Arrest 12 Opposition Youth Activists

On November 1, police arrested 12 youths for their unauthorized demonstration against the politically motivated conviction and 18 month prison sentence of opposition youth leader Dmitriy Dashkevich (reftel). The youths formed a human chain on Minsk's October Square and held images of Dashkevich. Radio Free Europe/Radio Liberty Belarusian service reporter Lyubov Lunyova was among those detained but was released at the square. Police released 10 of the youths after taking them to the police station and establishing their identities. The remaining activists, Dmitry Fedoruk and Gleb Sandros, spent the night in a police lockup and were sentenced in court to three days in jail for petty hooliganism. Fedoruk reportedly told pro-opposition website Charter 97 that police had beaten some of the detained activists. On November 3, Amnesty International declared Dashkevich a prisoner of conscience.

15. GOB Still Refuses Hunger-Striking Kozulin Legal Counsel

On November 2, Igor Rynkevich, the attorney for imprisoned former opposition presidential candidate Aleksandr Kozulin, confirmed that authorities are still preventing him from meeting with Kozulin. The Vitba-3 correctional institution warden reportedly announced that he would not allow the lawyer to meet the former presidential candidate until the latter ended his open-ended hunger strike, which Kozulin began on October 20 to protest President Lukashenko's fraudulent March 19 reelection. Kozulin's daughter, Yuliya, visited Kozulin the correctional on November 2 and related that the warden justified the denial on the grounds that a meeting with Rynkevich would only weaken Kozulin's health. According to Rynkevich, authorities put Kozulin in the prison's medical unit together with former lawmaker Sergei Skrebets, who also has been on hunger strike since October 20. Both petitioned the prison administration to transfer them back to the barracks.

16. Fourteen Join Kozulin's Hunger Strike

By November 2, fourteen Belarusian Social Democratic Party "Gramada" (BSDP) and Belarusian Party of Communists (BPC) activists

in Brest began a hunger strike in solidarity with former opposition presidential candidate Aleksandr Kozulin. On October 30, BSDP Brest City Chapter Head Anna Kanyus, a student at European Humanities University in Vilnius, began the hunger strike and was later joined by head of the BSDP Brest regional chapter head Igor Maslovsky, who has called on BSDP activists to fast for up to five days to draw international attention to Kozulin's politically motivated imprisonment.

17. Authorities Have No Suspects in September 2005 Bombings

On November 3, Belarus' Main Organized Crime and Corruption Prevention Office Chief Vladimir Tikhinya announced that authorities have no suspects and are not holding anyone in connection to the September 2005 bombings that injured nearly 50 people in the northeastern city of Vitebsk. On October 4, police had arrested Pavel Krasovskiy, a prominent activist of the youth opposition organization Malady Front, on the grounds that Krasovskiy resembled a police composite picture of a suspect but released him 10 days later upon ascertaining that he was abroad during explosions. In April, authorities released two other suspects on their own recognizance but until now had not indicated whether they remained suspects.

18. Education Minister Denies Expulsions Are Political

On October 27, Belarusian Education Minister Aleksandr Radkov claimed that not a single student has been expelled from the country's institutions of higher learning for political reasons. Last year, Radkov issued a directive that ordered educational institutions to expel students who participate in opposition demonstrations.

19. Regional Opposition Leaders Detained

On November 4, police in the southwestern city of Brest prevented opposition United Civic Party Regional Chair Stepan Novoselchanin from traveling to Kyiv, where he was to attend a conference of Belarus' opposition activists, by detaining him until after his train departed. The same day, authorities in the northeastern city of Mogilev arrested and sentenced to five days in jail opposition Belarusian Popular Front Regional Chair Grigoriy Kastusev as he was boarding a train to Kyiv for the same conference. Kastusev was charged with relieving himself in a public place and sentenced to five days in jail.

10. Court Overturns Church Expropriation

On November 4, Sergey Lukanin, a lawyer for the Minsk-based New Life Church (NLC), reported that the Supreme Economic Court of

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Belarus overturned all court decisions regarding NLC and will adjudicate the church's case under original jurisdiction in two weeks. Earlier this year, Minsk city authorities expropriated a building and a four-acre plot bought by NLC in 2002.

Local Elections

11. Opposition Excluded from Gomel Election Commissions

On November 2, independent media reported that the GOB included none of the 39 nominees of the opposition United Civic Party and the Belarusian Party of Communists in the 60 District Election Commissions (DECs) formed in the eastern Gomel region for Belarus' January 14 local elections. Of the total 664 DEC members, 41 percent of them were nominated through the signature-collection procedure, 21.3 percent by "workers' collectives." The remaining members were nominated by the pro-GOB Federation of Trade Unions of Belarus, and pro-GOB NGOs, including the Belarusian National Youth Union, the Belarusian Public Association of War Veterans, and the Belarusian Union of Women.

12. Opposition Communist Youths Plan for Local Elections

On October 29, the Central Committee of the pro-opposition Lenin Communist Youth Union of Belarus (LKSMB), purportedly Belarus' only registered opposition youth party, approved the participation of LKSMB candidates in Belarus' January 14 local elections. LKSMB leader Dmitry Yanenko predicted that the elections would be neither free nor fair but described the election process as "a good school" for LKSMB activists.

Trade and Investment

¶13. Belarus' 2006 Foreign Trade Up by 32 Percent

On October 30, Belarusian Ministry of Economics reported that Belarus' foreign trade in goods and services jumped by 32.2 percent year-on-year during the first eight months of 2006. Exports rose by 27 percent. Imports rose by 37.6 percent, well above the target of eight to nine percent.

¶14. Russia Considers Duty on Belarusian Sugar Exports

On November 1, independent media reported that Russia's Ministry for Economic Development and Trade has submitted a draft regulation that would impose an 8.1 percent compensatory duty on Belarusian sugar exports for a period of three years. The draft followed an investigation by the Russian Union of Sugar Manufacturers (Soyuzrossakhar) that concluded that Belarus exported sugar made from imported raw cane sugar instead of sugar that was domestically refined from sugar beets. At present, Belarus is exempt from paying duty on the export of domestically refined sugar, whereas sugar made from imported raw cane sugar is subject to duty at USD 340 per ton. Soyuzrossakhar estimates the Russian sugar industry's losses between 2002 and 2005 at more than USD 500 million. According to a source within the Belarusian State Food Industry Concern, the president and prime minister will consider the issue.

¶15. Russia Refuses to Sign 2007 Energy Deal with Belarus

On November 3 Russia's Ambassador to Belarus Aleksander Surikov announced that Russia will not discuss next year's fuel and energy agreement with Belarus until the dispute regarding the distribution of oil product export duty between the two budgets has been settled. Surikov also related that Russia has withdrawn from the agreement to supply Belarus with natural gas at Russia's domestic prices and to equalize rail tariffs because of Belarus' apparent unwillingness to create a joint gas transport venture.

¶16. Chamber of Commerce to Open in PRC, Russia

On November 2, the Belarusian Chamber of Commerce and Industry (BCCI) formally decided to open offices in China and St. Petersburg, Russia in late 2007. At present, BCCI's office in Leipzig, Germany is its only presence abroad.

Domestic Economy

¶17. GOB Expects Monthly Pay To Rise to USD 350

On November 3, Economy Minister Nikolai Zaichenko said that the average inflation-adjusted pay is projected to rise by eight to nine percent and households' real money incomes by 7.5 to 8.5 percent in 2007. According to the official, the average monthly

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pay is expected to grow to USD 350 by the end of next year.

¶18. Economy Ministry Claims 2006 Key Economic Targets Met

On October 30, Belarus' Ministry of Economics reported that thirteen of the 16 key targets for Belarus' economic and social development were met in the first nine months of 2006. According to the ministry, agricultural output rose by 2.2 percent in that

period. Meanwhile, Belarus' GDP energy intensity fell by 1.5 percent. Real income rose by 17.8 percent year-on-year. The average real retirement pension in the first nine months increased by 28.9 percent compared with the level of the same period of 2005.

119. GOB Considers 50 Percent Cut in Military Pensions

On October 27, independent media reported that Belarusian Deputy Prime Minister Viktor Burya is considering a plan to cut military pensions by 50 percent in order to reduce GOB budgetary expenditures. The Belarus' Finance Ministry projects USD 40 million in savings.

----- Independent Media -----

120. New Independent Newspaper in Mogilev

On October 31, a new independent newspaper published its first issue in the eastern city of Mogilev. According to "Nash Mogilev" (Our Mogilev) Editor Andrey Dvigun, the paper will come out once a month at an initial stage and then will become a weekly, covering social and economic events in the city. The paper will feature a political insert section titled "Mogilevskaya Koalitsiya" (Mogilev Coalition), and an editorial staff including members from local youth organizations.

121. Editor-in-Chief of Belarusian "Komsomolka" Resigns

On November 2, independent media reported the resignation of Yuliya Slutskaya, Editor-in-Chief of the "Komsomolskaya Pravda v Belorussii," the largest independent newspaper in Belarus. According to press reports, Slutskaya has been offered a job with the NGO Belarusian Association of Journalists.

----- Society -----

122. Lukashenko Criticizes Belarus' Healthcare System

On October 29, President Lukashenko criticized Belarus' healthcare and asserted that more than half of Belarusians are dissatisfied with the quality of medical services. According to Lukashenko, more than 50 percent of interviewed people are unhappy about doctors' bedside manner and 45 percent complain of a shortage of specialists in out-patient clinics. Lukashenko stressed the need to modernize hospitals and other healthcare institutions.

123. Belarusian Nuclear Power Plant to Be Operational in 2015

On October 30, during a visit to Russia, Belenergo Chief Engineer Aleksandr Sivak said that Belarus was determined to pursue its atomic power program with the first unit of a yet-to-be constructed Belarusian nuclear power plant expected to be put into operation in 12015. Sivak linked Belarus' decision to build the plant to increasing natural gas prices.

----- Quote of the Week -----

124. On November 1, after hearing Judge Alla Bulash's decision to sentence him to 18 months in prison on politically motivated charges, opposition youth leader Dmitriy Dashkevich quietly but defiantly replied to the judge:

"This is my victory. This is my victory."

Stewart